



**New Jersey  
Natural Gas**

June 30, 2006

Kristi Izzo, Secretary  
New Jersey Board of Public Utilities  
Two Gateway Center  
Newark, New Jersey 07102

**RE: IN THE MATTER OF THE ESTABLISHMENT OF  
A UNIVERSAL SERVICE FUND PURSUANT TO  
SECTION 12 OF THE ELECTRIC DISCOUNT AND  
ENERGY COMPETITION ACT OF 1999  
BPU DOCKET NO. EX00020091**

**NEW JERSEY NATURAL GAS COMPANY  
2006/2007 ANNUAL COMPLIANCE FILING FOR  
THE UNIVERSAL SERVICE FUND PROGRAM FACTOR  
WITHIN THE SOCIETAL BENEFITS CHARGE RATE**

Dear Ms. Izzo:

Please accept for filing in the Universal Service Fund (USF) proceeding captioned above an original and 10 copies of the New Jersey Natural Gas Company (NJNG or the Company) 2006/2007 USF Compliance Filing. Kindly acknowledge receipt of this Compliance Filing by date stamping the enclosed copy of this letter and returning the same in the stamped, self-addressed envelope. Pursuant to orders of the New Jersey Board of Public Utilities (Board) dated April 30, 2003, July 16, 2003, and June 22, 2005, an annual compliance filing for prospective USF rates is required on July 1<sup>st</sup> of each year. Copies are being provided to all individuals listed on the attached service list.

In order to streamline the Board's review of the required Compliance Filings from each company, the utilities agreed to jointly submit, within the compliance filing of Public Service Electric and Gas Company (PSE&G), one primary document containing the detailed rationale and supporting documentation for joint recommendations. Each company will then submit abbreviated Compliance Filings supporting and relying on the submissions of PSE&G.

NJNG accepts and relies on the rate calculation template submitted by PSE&G, including the requested statewide after-tax gas recovery rate of \$.0275 per therm. This after-tax increase of \$.0139 per therm (from the current recovery rate of \$.0136 per therm) represents an increase of less than 1% (.84% increase) to the average monthly bill for a residential heating customer, as shown on Exhibit A. Proposed tariff sheets are attached hereto as Exhibit B. A proposed public notice is attached hereto as Exhibit C.

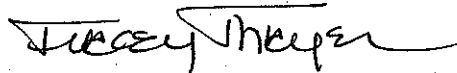
Furthermore, NJNG agrees that actual results regarding USF expenditures and recoveries can be significantly affected by program changes, participation rates, and/or jurisdictional throughput. Accordingly NJNG accepts and relies on the PSE&G proposal that would permit a self-implementing rate change to the statewide recovery rate if changed circumstances indicate that an increase of \$5 million or more to the natural gas statewide budget would be necessary to avoid developing an underrecovery at the end of the recovery year.

NJNG requests that the Board accept this filing in conjunction with the compliance filing of PSE&G and issue an Order granting the following relief:

1. Approval of a new after-tax USF recovery rate of \$.0275 per therm (an after-tax increase of \$.0139 per therm) to the current Statewide gas USF rate of \$.0136 per therm for gas service that was approved for use on and after October 1, 2006
2. Grant the authority to revise the recovery rate on a self-implementing basis, for the reasons stated herein and in the PSE&G submission.

If you have any questions regarding this filing, I can be reached at (732) 919-8025.

Respectfully submitted,



Tracey Thayer, Esq.  
Director, Regulatory Policy

C: Attached service list

**New Jersey Natural Gas Company**  
**Net impact of Proposed Rate Changes for Residential Heat Customers**  
**BPU Docket No. EX00020091**  
**USF Year 2006/07**

(\$/therm)

	<b>Current</b>	<b>10/1/2006</b>	<b>Change</b>
Pre-tax USF Factor	\$0.0128	\$0.0259	\$0.0131
After-tax USF Factor	\$0.0136	\$0.0275	\$0.0139

**Impact on Residential Heating Customers- Assume 100 therm bill**

**Current Prices**

			<b>Monthly</b>
Customer Charge		\$6.54	\$6.54
Delivery	100	\$0.3504	\$35.04
BGSS	100	\$1.2471	\$124.71
Total		<u>\$1.5975</u>	<u>\$166.29</u>

**Intended USF price change- 10/1/06**

Customer Charge		\$6.54	\$6.54
Delivery	100	\$0.3643	\$36.43
BGSS	100	\$1.2471	\$124.71
Total		<u>\$1.6114</u>	<u>\$167.68</u>

<b>Increase in Monthly bill</b>	\$1.39
<b>Increase as a %</b>	0.84%

**EXHIBIT B**

**NJNG USF TARIFF SHEETS**

**NEW JERSEY NATURAL GAS COMPANY**

*Thirty-Seventh Sixth Revised Sheet No. 31*

**BPU No. 7 - Gas**

*Superseding Thirty-Sixth Fifth Revised Sheet No. 31*

**SERVICE CLASSIFICATION - RS**

**RESIDENTIAL SERVICE**

**AVAILABILITY**

This service is available to any residential Customer in the territory served by the Company using gas for any domestic purpose. This rate is applicable to individually-metered apartments and to rooming and boarding houses where the number of rental bedrooms is not more than twice the number of bedrooms used by the Customer.

A description of the Residential Transportation Service classification begins on Sheet No. 107.

Gas delivered under this schedule may not be used for other than domestic purposes except when such use is incidental to domestic use.

**CHARACTER OF SERVICE**

Firm gas sales service.

**MONTHLY RATES**

	<u>Heating Customers</u>	<u>Non-Heating Customers</u>
Customer Charge	\$6.54 per month	\$6.54 per month
Basic Gas Supply Service ("BGS")	See Rider "A"	See Rider "A"
Delivery Charge	<del>\$.3643</del> \$.3504 per therm	<del>\$.3333</del> \$.3194 per therm

Fixed Price Option                      Commodity charge \$.\_\_\_\_\_ per therm as determined for each service enrollment offered through Special Provision 8 for \_\_\_\_\_ to \_\_\_\_\_

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

**SPECIAL PROVISIONS**

1. **Air Conditioning**

Upon separate application, Customers who have installed and are using gas air conditioning equipment will be billed on the above Monthly Rates except that the charge will be \$0.9375 per therm for all monthly consumption over 35 therms of gas for services rendered between May 1 and September 30 of each year.

Date of Issue:    June 30 ~~June 7~~, 2006  
Issued by:       Mark R. Spurduto, Vice President  
2006

Wall, NJ 07719

Effective for service rendered on  
and after October 1 ~~June 15~~,

**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-Second First Revised Sheet No. 33*

**BPU No. 7 - Gas**

*Superseding Twenty-First Twentieth Revised Sheet No. 33*

**SERVICE CLASSIFICATION – GS - HLF**

**GENERAL SERVICE - HIGH LOAD FACTOR**

**AVAILABILITY**

This service is available to any Customer in the entire territory served by the Company using gas for all purposes other than residential service and interruptible service, and who has a load factor greater than 58 percent as determined in accordance with the provisions below. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service ("CAC"), the Company will, upon application by the Customer, meter the space heating and CAC use separately. Street Lighting Service also will be supplied under this schedule. Gas service to Customers with electric heat pumps will not be provided under this service classification.

**CHARACTER OF SERVICE**

Firm gas sales service.

**MONTHLY RATES**

Customer Charge	\$14.96	
	<u>Monthly Therms</u>	
	<u>First 3,000 Therms</u>	<u>All Over 3,000 Therms</u>
Basic Gas Supply Service ("BGS")	See Rider "A"	See Rider "A"
Delivery Charge	\$.3332 <del>\$.3193</del> per therm	\$.3016 <del>\$.2877</del> per therm

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

Street Lighting Service is available in Special Provision 6.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

**DETERMINATION OF LOAD FACTOR**

**1. Calculation of Load Factor**

Each Customer's load factor will be equal to the result of dividing the total annual usage by the highest single month's usage times twelve (12). The formula to be used is:

$$\text{Load Factor} = \frac{\text{Total Annual Use}}{\text{Highest Month's Use} \times 12}$$

**Date of Issue:** ~~June 30, 2006~~ *May 16, 2005*  
**Issued by:** *Mark R. Spurduto, Vice President*  
*June 1, 2005*  
*Wall, NJ 07719*

*Effective for service rendered on  
and after October 1, 2006*

**SERVICE CLASSIFICATION - GS - HLF**

**GENERAL SERVICE - HIGH LOAD FACTOR (continued)**

**SPECIAL PROVISIONS**

1. **Basic Gas Supply Service**

The Basic Gas Supply Service Charge ("BGSS") is set forth in Rider "A" of this Tariff and is subject to adjustment in accordance with the provisions of Rider "A" of this Tariff. The Periodic BGSS, as set forth in Rider "A", is applicable to Customers in this Service Classification using less than 5,000 therms annually. The Monthly BGSS, as set forth in Rider "A", is applicable to customers in this Service Classification using 5,000 therms per year or greater. The Company shall review, at least once a year, each Periodic BGSS customer's annual usage based on the most recent twelve (12) months of billing information to determine if the Periodic BGSS factor or the Monthly BGSS factor is applicable. Once served on Monthly BGSS, customers shall not be returned to Periodic BGSS.

2. **Applicable Taxes**

In accordance with P.L. 1997, c. 192, the charges in this Rate Schedule include provision for the New Jersey Corporate Business Tax ("CBT"), the New Jersey Sales and Use Tax ("SUT"), and until it expires on January 1, 2007, a temporary Transitional Energy Facility Assessment ("TEFA"). When billed to customers exempt from one or more of these taxes, as set forth in Rider "B" for CBT, SUT and TEFA, such charges will be reduced by the relevant amount of such taxes included therein.

3. **Remediation Adjustment**

The Delivery Charge is subject to adjustment in accordance with the provisions of Rider "C" of this Tariff.

4. **Weather Normalization Clause**

The Delivery Charge is subject to adjustment in accordance with the provisions of Rider "D" of this Tariff.

5. **New Jersey Clean Energy Program**

The Delivery Charge is subject to adjustment in accordance with the provisions of Rider "E" of this Tariff.

6. **Universal Service Fund**

The Delivery Charge is subject to adjustment in accordance with the provisions of Rider "H" of this Tariff.

7. **Street Lighting Service**

The Commodity Charge per month for Street Lighting Service is \$1.5877 ~~\$1.5738~~ per therm for the first 3,000 therms and \$1.5562 ~~\$1.5423~~ per therm for all therms used over 3,000. These rates are inclusive of all taxes and riders.

**PAYMENT**

Bills are due within 10 days after the Company sends the bill and subject to a late payment charge as set forth in Paragraph 8.9 of the Standard Terms and Conditions of this Tariff.

**CONTRACT**

Written application on Company's Standard Application Form may be required.

**TERMS AND CONDITIONS**

Date of Issue: June 30, 2006 ~~December 15, 2005~~  
Issued by: Mark R. Sperduto, Vice President  
Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006 ~~December 15, 2005~~

**NEW JERSEY NATURAL GAS COMPANY**

*Twenty-First Twentieth Revised Sheet No. 36*

**BPU No. 7 - Gas**

*Superseding Twentieth Nineteenth Revised Sheet No. 36*

**SERVICE CLASSIFICATION - GS - LLF**

**GENERAL SERVICE - LOW LOAD FACTOR**

**AVAILABILITY**

This service is available to any Customer in the entire territory served by the Company using gas for all purposes other than residential service and interruptible service, and who has a load factor equal to or less than 58 percent as determined in accordance with the provisions below. Where the Customer uses the Cooling, Air Conditioning and Pool Heating service ("CAC"), the Company will upon application by the Customer, meter the space heating and CAC use separately.

**CHARACTER OF SERVICE**

Firm gas sales service.

**MONTHLY RATES**

Customer Charge	\$14.96	
		<u>Monthly Therms</u>
	<u>First 3,000 Therms</u>	<u>All Over 3,000 Therms</u>
Basic Gas Supply Service ("BGS")	See Rider "A"	See Rider "A"
Delivery Charge	<del>\$.3965</del> \$.3826 per therm	<del>\$.3650</del> \$.3511 per therm

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

**DETERMINATION OF LOAD FACTOR**

**1. Calculation of Load Factor**

Each Customer's load factor will be equal to the result of dividing the total annual usage by the highest single month's usage times twelve (12). The formula to be used is:

$$\text{Load Factor} = \frac{\text{Total Annual Use}}{\text{Highest Month's Use} \times 12}$$

**2. Review of Customer Load Factors**

The Company shall review, at least once a year, each Customer's load factor based on the most recent twelve (12) months of billing information.

The Company shall review a Customer's load factor any time the Customer makes a written request to the Company for such a review.

**Date of Issue:** *June 30, 2006 May 16, 2005*  
**Issued by:** *Mark R. Spurduto, Vice President*  
*Wall, NJ 07719*

*Effective for service rendered on*  
*and after October 1, 2006 June 1, 2005*



**SERVICE CLASSIFICATION - GSD****GENERAL SERVICE DEMAND****AVAILABILITY**

This service is available to any GS-HLF Customer for commercial or industrial uses provided that all firm gas service is supplied under this rate.

**CHARACTER OF SERVICE**

Firm gas sales service.

**MONTHLY RATES**

Customer Charge	\$46.74
Demand Charge	\$13.54 per Dth of Maximum Daily Quantity (MDQ)
Commodity Charge	<del>\$1.4440</del> <del>\$1.4301</del> per therm

These rates are inclusive of all taxes and riders.

**DETERMINATION OF DEMAND**

The Maximum Daily Quantity (MDQ) will be: (1) initially determined by agreement between the Company and the Customer, (2) stated in dekatherms (10 therm units), and (3) included in the Service Agreement.

The Company shall deliver to the Customer a quantity of gas up to the MDQ volume. Should the Customer's usage exceed the MDQ, the MDQ will be deemed to have changed in the Service Agreement. The MDQ for service and billing purposes will remain at the highest actual daily volume served for the remaining life of the Service Agreement.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the sum of the Customer Charge and the Demand Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

**SPECIAL PROVISIONS**

1. **Basic Gas Supply Service**

The Commodity Charges are subject to adjustment in accordance with the provisions of Rider "A" of this Tariff.

2. **Applicable Taxes**

In accordance with P.L. 1997, c. 192, the charges in this Rate Schedule include provision for the New Jersey Corporate Business Tax ("CBT"), the New Jersey Sales and Use Tax ("SUT"), and until it expires on January 1, 2007, a temporary Transitional Energy Facility Assessment ("TEFA"). When billed to customers exempt from one or more of these taxes, as set forth in Rider "B" for CBT, SUT and TEFA, such charges will be reduced by the relevant amount of such taxes included therein.

Date of Issue: ~~June 30, 2006~~ ~~December 15, 2005~~  
Issued by: ~~Mark R. Sperduto, Vice President~~  
~~December 15, 2005~~

Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006

**SERVICE CLASSIFICATION - FC****FIRM COGENERATION****AVAILABILITY**

This service is applicable to commercial and industrial Customers using gas for the sequential production of electrical and/or mechanical energy and useful thermal energy from the same fuel source as defined in Section 201 of The Public Utility Regulatory Policies Act (PURPA) of 1978.

The Customer must 1) certify that the cogeneration facility is approved by FERC as a "Qualifying Facility"; 2) sign a Service Agreement; and 3) be in compliance with the terms of N.J.S.A. 54:30A-50 to receive service under this classification.

**CHARACTER OF SERVICE**

Firm gas sales service.

**MONTHLY RATES**

Customer Charge	\$43.22
Demand Charge	\$8.73 per Dth of Maximum Daily Quantity (MDQ)
Commodity Charge	
Customer Election Prior to March 10, 1997	<del>\$1.0531</del> \$1.0400 per therm
Customer Election After March 10, 1997	<del>\$1.1184</del> \$1.1045 per therm

These rates are inclusive of all riders.

**DETERMINATION OF DEMAND**

The Maximum Daily Quantity (MDQ) will be: (1) initially determined by agreement between the Company and the Customer, (2) stated in dekatherms (10 therm units), and (3) included in the Service Agreement.

The Company shall deliver to the Customer a quantity of gas up to the MDQ volume. Should the Customer's usage exceed the MDQ, the MDQ will be deemed to have changed in the Service Agreement. The MDQ for service and billing purposes will remain at the highest actual daily volume served for the remaining life of the Service Agreement.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the sum of the Customer Charge and the Demand Charge.

Where service is taken for less than one month, the minimum charge will be prorated.

Date of Issue: ~~June 30~~ May 30, 2006  
Issued by: Mark R. Sperduto, Vice President  
2006

Wall, NJ 07719

Effective for service rendered on  
and after October 1 June 1,

**NEW JERSEY NATURAL GAS COMPANY***One Hundred Forty-Third Second Revised Sheet No. 58***BPU No. 7 - Gas***Superseding One Hundred Forty-Second First Revised Sheet No. 58***SERVICE CLASSIFICATION - IS****INTERRUPTIBLE SALES SERVICE (continued)****COMMODITY CHARGES**The commodity rates for the month of **October June 2006** are:

<b><u>ALTERNATE FUEL</u></b>		<b><u>N.J. OIL G.R. TAX EXEMPT</u></b>	<b><u>NO ALTERNATE FUEL</u></b>	
			<b><u>GS-HLF</u></b>	<b><u>GS-LLF</u></b>
Propane	\$1.1318 per therm	1st 3,000 therms	\$1.0424	\$1.0747
No 2	\$1.3995 per therm	Over 3,000 therms	\$1.0109	\$1.0433
No 4	\$1.0951 per therm			
No 6 (0.3%)	\$1.0753 per therm	No 6 (0.3%)	\$1.0464 per therm	
No 6 (1.0%)	\$1.0419 per therm			
No 6 (2.0%)	\$1.0342 per therm			

**FLOOR PRICE:**Estimated ICOG per therm for the month of **October June 2006**. \$0.6659**ADJUSTED FOR:**

ACA, RA, New Jersey Clean Energy Program and USF	0.0630	0.0491
ICOG Surcharge		0.0000
Losses at 2 percent		0.0143
BPU and RPA Assessment		0.0017
Corporate Business Tax		0.0126
Sales and Use Tax		0.0452
Transitional Energy Facilities Assessment (TEFA)		0.0103

\*\*\*\*

TOTAL FLOOR PRICE

**\$0.8130** **\$0.7991****CEILING PRICE:**

GS-LLF Delivery Charge (>3000 therms)	\$0.3650	\$0.3511
Plus Monthly BGS Charge		0.9294

\*\*\*\*

TOTAL CEILING PRICE

**\$1.2944** **\$1.2805**

Date of Issue: **June May 30, 2006**  
 Issued by: **Mark R. Spurduto, Vice President**  
 2006

Wall, NJ 07719

Effective for service rendered on  
 and after October June 1,

**NEW JERSEY NATURAL GAS COMPANY**

*One Hundred Forty-Third Second Revised Sheet No. 64*

**BPU No. 7 - Gas**

*Superseding One Hundred Forty-Second First Revised Sheet No. 64*

**SERVICE CLASSIFICATION - IC**

**INTERRUPTIBLE COGENERATION (continued)**

**COMMODITY CHARGES**

The commodity rates for the month of **October June 2006** are:

**OIL PARITY LESS RIDER B, GNR-4**

Propane	\$1.0886 per therm
No 2	\$1.3563 per therm
No 4	\$1.0519 per therm
No 6 (0.3%)	\$1.0249 per therm
No 6 (1.0%)	\$0.9891 per therm
No 6 (2.0%)	\$0.9814 per therm

**FLOOR PRICE:**

Estimated ICOG per therm for the month of **October June 2006**. \$0.6659

**ADJUSTED FOR:**

ACA, RA, New Jersey Clean Energy Program, and USF	<b>0.0630</b> 0.0491
ICOG Surcharge	0.0000
Losses at 2 percent ----	0.0143
BPU and RPA Assessment	<u>0.0015</u>

\*\*\*\* TOTAL FLOOR PRICE **\$0.7447** \$0.7308

**CEILING PRICE:**

GS-LLF Delivery Charge (>3000 therms)	<b>\$0.3650</b> \$0.3511
Plus Monthly BGS Charge	<u>0.9294</u>
Subtotal	<b>1.2944</b> 1.2805

Less CBT, SUT, TEFA (Rider B, GNR-1) 0.0582

\*\*\*\* TOTAL CEILING PRICE **\$1.2362** \$1.2223

Date of Issue: **June May 30, 2006**  
Issued by: **Mark R. Sperduto, Vice President**  
2006

Wall, NJ 07719

*Effective for service rendered on  
and after October June 1,*

**NEW JERSEY NATURAL GAS COMPANY**

~~Twentieth Nineteenth Revised Sheet No. 68~~

**BPU No. 7 - Gas**

~~Superseding Nineteenth Eighteenth Revised Sheet No. 68~~

**SERVICE CLASSIFICATION - FT**

**FIRM TRANSPORTATION SERVICE**

**AVAILABILITY**

This service is available to any customer who would otherwise qualify for service under Service Classifications GS-HLF, GS-LLF, FC, GSD, IS, IC, or NGV.

**CONDITIONS PRECEDENT**

The Customer is responsible for payment of any costs if additional facilities are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers.

The Customer also must have clear and marketable title of gas with firm transportation capacity to the Company's distribution systems. If the Company so requests, the Customer must provide such proof.

**MONTHLY RATES**

ADMINISTRATIVE CHARGE	\$10.84	per account
METER CHARGE	\$16.25	per meter
DEMAND CHARGE	\$1.354	per therm applied to MDQ
DELIVERY CHARGE		
CUSTOMER ELECTION PRIOR TO 7/14/97		
(HLF)	<u>\$17917</u>	per therm
(LLF)	<u>\$16527</u>	per therm
	<u>\$19535</u>	
	<u>\$18145</u>	
CUSTOMER ELECTION AFTER 7/14/97		
(HLF)	<u>\$19919</u>	per therm
(LLF)	<u>\$18529</u>	per therm
	<u>\$21539</u>	
	<u>\$20149</u>	

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the sum of the Administrative Charge, Meter Charge, GSR Charge (Special Provision 10) and the Demand Charges.

Date of Issue: June 30, 2006 May 16, 2005  
Issued by: Mark R. Spurduto, Vice President  
June 1, 2005  
Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006

**NEW JERSEY NATURAL GAS COMPANY**

*Twentieth Nineteenth Revised Sheet No. 76*

**BPU No. 7 - Gas**

*Superseding Nineteenth Eighteenth Revised Sheet No. 76*

**SERVICE CLASSIFICATION - CTB**

**COMPREHENSIVE TRANSPORTATION AND BALANCING SERVICE**

**AVAILABILITY**

This service is available to any customer who would otherwise qualify for service under Service Classifications GS-HLF, GS-LLF, FC, GSD, IS, IC, or NGV.

**CONDITIONS PRECEDENT**

The Customer is responsible for payment of any costs if additional facilities are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers.

The Customer also must have clear and marketable title of gas with firm transportation capacity to the Company's distribution systems. If the Company so requests, the Customer must provide such proof.

**MONTHLY RATES**

ADMINISTRATIVE CHARGE	\$10.84	per account
METER CHARGE	\$16.25	per meter
DEMAND CHARGES	D-1 \$1.354	per therm applied to MDQ
	D-2 \$ .689	per therm applied to the MDB

**DELIVERY CHARGE**

**CUSTOMER ELECTION PRIOR TO 7/14/97**

(HLF)	<del>\$18900</del> \$17510	per therm
(LLF)	<del>\$20519</del> \$19129	per therm

**CUSTOMER ELECTION AFTER 7/14/97**

(HLF)	<del>\$20866</del> \$19476	per therm
(LLF)	<del>\$22494</del> \$21104	per therm

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the sum of the Administrative Charge, Meter Charge, GSR Charge (Special Provision 10) and the Demand Charges.

Date of Issue: June 30, 2006 ~~May 16, 2005~~  
Issued by: Mark R. Sperduto, Vice President  
June 1, 2005  
Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006

NEW JERSEY NATURAL GAS COMPANY

Seventeenth ~~Sixteenth~~ Revised Sheet No. 84

BPU No. 7 - Gas

Superseding ~~Sixteenth~~ ~~Fifteenth~~ Revised Sheet No. 84

SERVICE CLASSIFICATION - IT

INTERRUPTIBLE TRANSPORTATION SERVICE

AVAILABILITY

This service is an interruptible transportation service applicable to those Customers having a service agreement currently in effect and who hold clear and marketable title to gas that is made available pursuant to authorized applicable tariffs of the Company's interstate pipeline suppliers for transportation on the Company's distribution system. Customers will be required to specify that they have alternate fuel facilities installed in operating condition with an adequate fuel supply, as described in Special Provision #1.

CHARACTER OF SERVICE

Interruptible transportation service.

MONTHLY RATES

Customer Charge \$561.48

Delivery Charge:

Customer Election Prior to 7/14/97

Customers with Alternate Fuel \$.1134 ~~\$.0995~~ per therm

Customers without  
Alternate Fuel

Monthly Therms

IT-HLF

IT-LLF

1st 3,000 therms

~~\$.2995~~ \$.2856 per  
therm

~~\$.3318~~ \$.3179 per  
therm

All over 3,000 therms

~~\$.2680~~ \$.2541 per  
therm

~~\$.3004~~ \$.2865 per  
therm

Customer Election After 7/14/97

Customers with Alternate Fuel \$.1227 ~~\$.1088~~ per therm

Customers without  
Alternate Fuel

Monthly Therms

IT-HLF

IT-LLF

1st 3,000 therms

~~\$.3089~~ \$.2950 per  
therm

~~\$.3412~~ \$.3273 per  
therm

All over 3,000 therms

~~\$.2774~~ \$.2635 per  
therm

~~\$.3097~~ \$.2958 per  
therm

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components included in these rates.

Date of Issue: June 30, 2006 ~~October 5, 2004~~

Issued by: Mark R. Sperduto ~~Kevin A. Moss, Senior Vice President~~  
5, 2004

Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006

**NEW JERSEY NATURAL GAS COMPANY**

**BPU No. 7 - Gas**

*Seventeenth ~~Sixteenth~~ Revised Sheet No. 84  
Superseding ~~Sixteenth~~ ~~Fifteenth~~ Revised Sheet No. 84*

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge.

**Date of Issue:** *June 30, 2006 ~~October 5, 2004~~*  
**Issued by:** *Mark R. Sperduto ~~Kevin A. Moss, Senior Vice President~~*  
*5, 2004*  
*Wall, NJ 07719*

*Effective for service rendered on  
and after October 1, 2006*



**NEW JERSEY NATURAL GAS COMPANY**

*Seventeenth Sixteenth Revised Sheet No. 102*

**BPU No. 7 - Gas**

*Superseding Sixteenth Fifteenth Revised Sheet No. 102*

**SERVICE CLASSIFICATION - SCR**

**SMALL COMMERCIAL REBUNDLED SERVICE**

**AVAILABILITY**

This service is available to any customer who would otherwise qualify for service under Service Classifications GS-HLF, GS-LLF, FC, GSD and who uses less than 5,000 therms per year.

**CONDITIONS PRECEDENT**

The Customer shall designate a marketer or broker who will act as the customer's agent with the Company for purposes of receiving nominations, satisfying delivery obligations, daily and monthly balancing, selection of billing option and all related charges. The marketer or broker must be certified by the Company and is subject to the MBR service requirements. The Customer is responsible for payment of any costs if additional facilities are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers.

**MONTHLY RATES**

CUSTOMER CHARGE	\$14.96	per meter
DEMAND CHARGE	\$ .65	per therm applied to the annual use/load factor determinant as set forth in the "Determination of Demand"
DELIVERY CHARGE		
CUSTOMER ELECTION PRIOR TO 7/14/97		
(HLF)	<u>\$2450</u> <del>\$2311</del>	per therm
(LLF)	<u>\$2902</u> <del>\$2763</del>	per therm
CUSTOMER ELECTION AFTER 7/14/97		
(HLF)	<u>\$2646</u> <del>\$2507</del>	per therm
(LLF)	<u>\$3098</u> <del>\$2959</del>	per therm

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

**Date of Issue:** June 30, 2006 ~~May 16, 2005~~  
**Issued by:** Mark R. Sperduto, Vice President  
June 1, 2005  
**Wall, NJ 07719**

**Effective for service rendered on  
and after October 1, 2006**

**NEW JERSEY NATURAL GAS COMPANY**

*Eighteenth Seventeenth Revised Sheet No. 107*

**BPU No. 7 - Gas**

*Superseding Seventeenth Sixteenth Revised Sheet No. 107*

**SERVICE CLASSIFICATION - RT**

**RESIDENTIAL TRANSPORTATION SERVICE**

**AVAILABILITY**

This service is available to any customer who would otherwise qualify for service under Service Classification RS.

**CONDITIONS PRECEDENT**

The Customer shall designate a marketer or broker who will act as the customer's agent with the Company for purposes of receiving nominations, satisfying delivery obligations, daily and monthly balancing, selection of billing option and all related charges. The marketer or broker must be certified by the Company and is subject to the MBR service requirements. The Customer is responsible for payment of any costs if additional facilities are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers.

**MONTHLY RATES**

CUSTOMER CHARGE	\$6.54	per account
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	Heating Customers	Non- Heating Customers	
DELIVERY CHARGE	\$.3531	\$.3221	per therm
CUSTOMER ELECTION PRIOR TO 7/14/97	\$.3392	\$.3082	

DELIVERY CHARGE	\$.3643	\$.3333	per therm
CUSTOMER ELECTION AFTER 7/14/97	\$.3504	\$.3194	

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

Date of Issue: June 30, 2006 ~~May 16, 2005~~  
Issued by: Mark R. Sperduto, Vice President  
~~June 1, 2005~~  
Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006

**SERVICE CLASSIFICATION – DGR****DISTRIBUTED GENERATION SERVICE - RESIDENTIAL****AVAILABILITY**

This service is available to any residential customer using distributed generation technologies including, but not limited to, microturbines and fuel cells to generate electricity for domestic purposes.

**CONDITIONS PRECEDENT**

With the exception of Customers to whom Special Provision 7 is applicable, the Customer shall designate a marketer or broker who will act as the customer's agent with the Company for purposes of receiving nominations, satisfying delivery obligations, daily and monthly balancing, selection of billing option and all related charges. The marketer or broker must be certified by the Company and is subject to the MBR service requirements.

**MONTHLY RATES**

CUSTOMER CHARGE	\$6.54	per account
DELIVERY CHARGE		
November – April	\$0.2658	per therm
	\$.2519	
May - October	\$0.2093	per therm
	\$.1954	

If customer elects to receive supply from the Company

Basic Gas Supply Service ("BGS") See Rider "A"

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the Customer Charge.

**BALANCING CHARGE ADJUSTMENTS**

The Balancing Charge is included in the Delivery Charge and is subject to adjustment in the Company's annual BGSS proceeding. All revenues derived from this Charge will be credited to the BGSS.

Date of Issue: June 30, 2006 ~~October 5, 2004~~  
Issued by: Mark R. Sperduto Kevin A. Moss, Senior Vice President  
2004  
Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006 5,

**NEW JERSEY NATURAL GAS COMPANY**

*Fourth Third Revised Sheet No. 114*

*Superseding Third Second Sheet No. 114*

**BPU No. 7 - Gas**

**SERVICE CLASSIFICATION - DGC**

**DISTRIBUTED GENERATION SERVICE - COMMERCIAL**

**AVAILABILITY**

This service is available to any commercial customer using distributed generation technologies including, but not limited to, microturbines and fuel cells.

**CONDITIONS PRECEDENT**

If the Customer is served by a Marketer or Broker, the Marketer or Broker assumes the responsibility for all delivery requirements. The Customer also must have clear and marketable title of gas with firm transportation capacity to the Company's distribution systems. If the Company so requests, the Customer must provide such proof. The Customer is responsible for payment of any costs if additional facilities, exclusive of metering facilities, are necessary to provide service. The Company reserves the right to limit new customers served under this service, if it determines that service expansion is detrimental to existing firm customers. The Customer must demonstrate that qualifying electric generation equipment has been installed at its location.

**MONTHLY RATES**

CUSTOMER CHARGE	\$14.96	per account
DEMAND CHARGES	\$.5390	per therm applied to PBQ
DELIVERY CHARGE		
November - April	<u>\$.1575</u> <del>\$.1436</del>	per therm
May - October	<u>\$.1251</u> <del>\$.1112</del>	per therm

These rates are inclusive of all taxes and riders. See Rider "A" for a summary of components incorporated in these rates.

**MINIMUM MONTHLY CHARGE**

The minimum monthly charge shall be the sum of the Customer Charge and the Demand Charge.

**DETERMINATION OF DEMAND**

The Peak Billing Quantity (PBQ) will be initially set based on the rated fuel requirements of the installed distributed generation equipment and the customer's electric requirements. The Company shall deliver to the Customer the gas quantity provided by the Customer up to the PBQ level. Should the Customer's usage exceed the PBQ, the PBQ will be deemed to have changed in the service agreement. The PBQ for service and billing purposes will remain at the highest actual daily volume served.

Date of Issue: June 30, 2006 ~~October 5, 2004~~  
Issued by: Mark R. Sperduto ~~Kevin A. Moss~~, Senior Vice President  
2004  
Wall, NJ 07719

Effective for service rendered on  
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## NEW JERSEY NATURAL GAS COMPANY

Eleventh Tenth Revised Sheet No. 207

BPU No. 7 - Gas

Superseding Tenth Ninth Revised Sheet No. 207

RIDER "A"BASIC GAS SUPPLY SERVICE – BGSS (Continued)SUMMARY OF RESIDENTIAL RATE COMPONENTSHeating Customers

		Bundled Sales	Transportation		Reference
			<7/97	>7/97	
	Base Rate	0.2889	0.2716	0.2828	
	WNC	0.0000	0.0000	0.0000	Rider D
	MDF	x	(0.0250)	(0.0250)	Rider A
Transport Rate	a	0.2889	0.2466	0.2578	
Balancing Charge	b	0.0437	0.0437	0.0437	Rider A
	N.J. Clean Energy	0.0095	0.0095	0.0095	Rider E
	RA	0.0258	0.0258	0.0258	Rider C
	CEP	0.0000	0.0000	0.0000	Rider G
	USF	0.0275	0.0275	0.0275	Rider H
		0.0136	0.0136	0.0136	
Societal Benefits Charge	c	0.0628	0.0628	0.0628	
		0.0489	0.0489	0.0489	
Delivery Charge Subtotal	a+b+c=d	0.3954	0.3531	0.3643	
		0.3815	0.3392	0.3504	
Reclass	e	(0.0311)	x	x	
Delivery Charge	d+e	0.3643	0.3531	0.3643	
		0.3504	0.3392	0.3504	
Periodic BGSS		1.2597	x	x	Rider A
Less: Balancing		0.0437	x	x	
Basic Gas Supply Subtotal	f	1.2160			
Reclass	e	0.0311	x	x	
Basic Gas Supply Charge ("BGS")	f+e	1.2471	x	x	

These rates are on a per-therm basis.

BGS rate which reflects minor reclassifications is presented on customer bills.

Date of Issue: June 30, 2006 December 15, 2005

Issued by: Mark R. Sperduto, Vice President

December 15, 2005

Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006

**NEW JERSEY NATURAL GAS COMPANY**

*Eleventh Tenth Revised Sheet No. 207*

**BPU No. 7 - Gas**

**Superseding Tenth Ninth Revised Sheet No. 207**

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE – BGSS (Continued)**

**SUMMARY OF RESIDENTIAL RATE COMPONENTS**

The dates listed at the top of the transportation columns represent the initial date of service under a transportation service classification.

***Date of Issue: June 30, 2006 ~~December 15, 2005~~***  
***Issued by: Mark R. Spurduto, Vice President***  
***~~December 15, 2005~~***

***Effective for service rendered on  
and after October 1, 2006***

***Wall, NJ 07719***

***Filed pursuant to Order of the Board of Public Utilities entered in  
Docket No. EX00020091 GR05060488***

**NEW JERSEY NATURAL GAS COMPANY**

*Eleventh Tenth Revised Sheet No. 208*

**BPU No. 7 - Gas**

**Superseding Tenth Ninth Revised Sheet No. 208**

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF RESIDENTIAL RATE COMPONENTS**

		<u>Non-Heating Customers</u>		<u>Transportation</u>	
		Bundled Sales	<7/97	>7/97	<u>Reference</u>
	Base Rate	0.2889	0.2716	0.2828	
	WNC	0.0000	0.0000	0.0000	Rider D
	MDF	<u>X</u>	<u>(0.0250)</u>	<u>(0.0250)</u>	Rider A
Transport Rate	a	0.2889	0.2466	0.2578	
Balancing Charge	b	0.0127	0.0127	0.0127	Rider A
	N.J. Clean Energy	0.0095	0.0095	0.0095	Rider E
	RA	0.0258	0.0258	0.0258	Rider C
	CEP	0.0000	0.0000	0.0000	Rider G
	USF	<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>	Rider H
		<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>	
Societal Benefits Charge	c	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>	
		<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>	
Delivery Charge Subtotal	a+b+c=d	<u>0.3644</u>	<u>0.3221</u>	<u>0.3333</u>	
		0.3505	0.3082	0.3194	
Reclass	e	<u>(0.0311)</u>	<u>x</u>	<u>x</u>	
Delivery Charge	d+e	<u>0.3333</u>	<u>0.3221</u>	<u>0.3333</u>	
		<u>0.3194</u>	<u>0.3082</u>	<u>0.3194</u>	
Periodic BGSS		1.2597	x	x	Rider A
Less: Balancing		0.0127	x	x	
Basic Gas Supply Subtotal	f	1.2470			
Reclass	e	<u>0.0311</u>	x	x	
Basic Gas Supply Charge ('BGS')	f+e	<u>1.2781</u>	x	x	

These rates are on a per-therm basis.

BGS rate which reflects minor reclassifications is presented on customer bills.

The dates listed at the top of the transportation columns represent the

**Date of Issue:** June 30, 2006 ~~December 15, 2005~~  
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 Wall, NJ 07719

**Effective for service rendered on  
and after October 1, 2006**

**NEW JERSEY NATURAL GAS COMPANY**

*Eleventh ~~Tenth~~ Revised Sheet No. 208*

**BPU No. 7 - Gas**

*Superseding Tenth ~~Ninth~~ Revised Sheet No. 208*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF RESIDENTIAL RATE COMPONENTS**

initial date of service under a transportation service classification.

**Date of Issue:** *June 30, 2006 ~~December 15, 2005~~*  
**Issued by:** *Mark R. Sperduto, Vice President*  
*December 15, 2005*

*Wall, NJ 07719*

*Effective for service rendered on  
and after October 1, 2006*



**NEW JERSEY NATURAL GAS COMPANY**

*Forty-Fourth Third Revised Sheet No. 209*

*BPU No. 7 - Gas*

*Superseding Forty-Third Second Revised Sheet No. 209*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE – BGSS (Continued)**

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

		<u>FIRM SALES</u>		<u>GS-LLF</u>		<u>Reference</u>
		<u>GS-HLF</u>		<u>GS-LLF</u>		
		<u>&lt;3000</u>	<u>&gt;3000</u>	<u>&lt;3000</u>	<u>&gt;3000</u>	
Base Rate		0.2577	0.2261	0.2900	0.2585	
WNC		0.0000	0.0000	0.0000	0.0000	Rider D
MDF		0.0000	0.0000	0.0000	0.0000	Rider A
Transport Rate	a	0.2577	0.2261	0.2900	0.2585	
Balancing Charge	b	0.0127	0.0127	0.0437	0.0437	
N.J. Clean Energy		0.0095	0.0095	0.0095	0.0095	Rider E
RA		0.0258	0.0258	0.0258	0.0258	Rider C
CEP		0.0000	0.0000	0.0000	0.0000	Rider G
USF		<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>	Rider H
		<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>	
Societal Benefits Charge	c	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>	
		<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>	
Delivery Charge	a+b+c	<u>0.3332</u>	<u>0.3016</u>	<u>0.3965</u>	<u>0.3650</u>	
		<u>0.3193</u>	<u>0.2877</u>	<u>0.3826</u>	<u>0.3511</u>	

Customers who Use Less than 5,000 Therms Per Year

Periodic BGSS	1.2597	1.2597	1.2597	1.2597	Rider A
Less: Balancing	0.0127	0.0127	0.0437	0.0437	
Basic Gas Supply Charge ("BGS")	<u>1.2470</u>	<u>1.2470</u>	<u>1.2160</u>	<u>1.2160</u>	

Customers who Use 5,000 Therms or Greater Per Year

Monthly BGSS	0.9294	0.9294	0.9294	0.9294	Rider A
Less: Balancing	0.0127	0.0127	0.0437	0.0437	
Monthly Basic Gas Supply Charge ("BGS")	<u>0.9167</u>	<u>0.9167</u>	<u>0.8857</u>	<u>0.8857</u>	

These rates are on a per-therm basis.

*Date of Issue: June May-30, 2006*  
*Issued by: Mark R. Sperduto, Vice President*  
 2006  
 Wall, NJ 07719

*Effective for service rendered on  
 and after October June 1,*

**NEW JERSEY NATURAL GAS COMPANY**

*Forty-Fourth Third Revised Sheet No. 209*

**BPU No. 7 - Gas**

**Superseding Forty-Third Second Revised Sheet No. 209**

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE – BGSS (Continued)**

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

BGS rate which reflects minor reclassifications is presented on customer bills.

**Date of Issue:** *June May-30, 2006*  
**Issued by:** *Mark R. Sperduto, Vice President*  
**2006**  
**Wall, NJ 07719**

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**NEW JERSEY NATURAL GAS COMPANY**

**BPU No. 7 - Gas**

*Sixth Fifth Revised Sheet No. 210  
Superseding Fifth Fourth Sheet No. 210*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE – BGSS (Continued)**

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

		<u>SMALL COMMERCIAL REBUNDLED (SCR)</u>			
		<u>HLF</u>		<u>LLF</u>	
		<u>&lt;7/97</u>	<u>&gt;7/97</u>	<u>&lt;7/97</u>	<u>&gt;7/97</u>
Base Rate		0.1895	0.2091	0.2037	0.2233
WNC		0.0000	0.0000	0.0000	0.0000
MDF		<u>(0.0200)</u>	<u>(0.0200)</u>	<u>(0.0200)</u>	<u>(0.0200)</u>
Transport Rate	a	0.1695	0.1891	0.1837	0.2033
Balancing Charge	b	0.0127	0.0127	0.0437	0.0437
N.J. Clean Energy		0.0095	0.0095	0.0095	0.0095
RA		0.0258	0.0258	0.0258	0.0258
CEP		0.0000	0.0000	0.0000	0.0000
USF		<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>
		<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>
Societal Benefits Charge	c	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>
		<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>
Delivery Charge	a+b+	<u>0.2450</u>	<u>0.2646</u>	<u>0.2902</u>	<u>0.3098</u>
	c	<u>0.2311</u>	<u>0.2507</u>	<u>0.2763</u>	<u>0.2959</u>

These rates are on a per-therm basis.  
The dates listed at the top of the transportation columns represent the  
initial date of service under a transportation service classification.

**Date of Issue:** June 30, 2006 ~~May 16, 2005~~  
**Issued by:** Mark R. Sperduto, Senior Vice President  
**June 1, 2005**  
Wall, NJ 07719

*Effective for service rendered on  
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**NEW JERSEY NATURAL GAS COMPANY**

*Fifth Fourth Revised Sheet No. 211*

**BPU No. 7 - Gas**

*Superseding Fourth Third Sheet No. 211*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

		<u>FIRM TRANSPORTATION (FT)</u>			
		<u>HLF</u>		<u>LLF</u>	
		<u>&lt;7/97</u>	<u>&gt;7/97</u>	<u>&lt;7/97</u>	<u>&gt;7/97</u>
Base Rate		0.11637	0.13639	0.13255	0.15259
MDF		<u>0.00000</u>	<u>0.00000</u>	<u>0.00000</u>	<u>0.00000</u>
Transport Rate	a	0.11637	0.13639	0.13255	0.15259
N.J. Clean Energy		0.0095	0.0095	0.0095	0.0095
RA		0.0258	0.0258	0.0258	0.0258
CEP		0.0000	0.0000	0.0000	0.0000
USF		<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>
		<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>
Societal Benefits	b	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>
Charge		<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>
Delivery Charge	a+b	<u>0.17917</u>	<u>0.19919</u>	<u>0.19535</u>	<u>0.21539</u>
		<u>0.16527</u>	<u>0.18529</u>	<u>0.18145</u>	<u>0.20149</u>

**COMPREHENSIVE TRANSPORTATION AND BALANCING (CTB)**

		<u>HLF</u>		<u>LLF</u>	
		<u>&lt;7/97</u>	<u>&gt;7/97</u>	<u>&lt;7/97</u>	<u>&gt;7/97</u>
Base Rate		0.12620	0.14586	0.14239	0.16214
MDF		<u>0.00000</u>	<u>0.00000</u>	<u>0.00000</u>	<u>0.00000</u>
Transport Rate	a	0.12620	0.14586	0.14239	0.16214
N.J. Clean Energy		0.0095	0.0095	0.0095	0.0095
RA		0.0258	0.0258	0.0258	0.0258
CEP		0.0000	0.0000	0.0000	0.0000
USF		<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>	<u>0.0275</u>
		<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>	<u>0.0136</u>
Societal Benefits	b	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>	<u>0.0628</u>
Charge		<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>	<u>0.0489</u>
Delivery Charge	a+b	<u>0.18900</u>	<u>0.20866</u>	<u>0.20519</u>	<u>0.22494</u>
		<u>0.17510</u>	<u>0.19476</u>	<u>0.19129</u>	<u>0.21104</u>

**Date of Issue:** June 30, 2006 ~~May 16, 2005~~  
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June 1, 2005  
Wall, NJ 07719

*Effective for service rendered on  
and after October 1, 2006*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF FIRM COMMERCIAL RATE COMPONENTS**

These rates are on a per-therm basis.

The dates listed at the top of the transportation columns represent the initial date of service under a transportation service classification.

Date of Issue: ~~June 30, 2006~~ May 16, 2005  
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~~June 1, 2005~~

Wall, NJ 07719

Effective for service rendered on  
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**NEW JERSEY NATURAL GAS COMPANY**

**BPU No. 7 - Gas**

*Fourth Third Revised Sheet No. 212  
Superseding Third Second Sheet No. 212*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF INTERRUPTIBLE RATE COMPONENTS**

**INTERRUPTIBLE TRANSPORTATION (IT)**

**Without Alternate Fuel**

**HLF**

**LLF**

	<u>&lt;7/97</u>		<u>7/97&gt;</u>		<u>&lt;7/97</u>		<u>7/97&gt;</u>	
	<u>1st 3000</u>	<u>&gt;3000</u>	<u>1st 3000</u>	<u>&gt;3000</u>	<u>1st 3000</u>	<u>&gt;3000</u>	<u>1st 3000</u>	<u>&gt;3000</u>
Transport Rate (Base)	.2367	.2052	.2461	.2146	.2690	.2376	.2784	.2469
N.J. Clean Energy	.0095	.0095	.0095	.0095	.0095	.0095	.0095	.0095
RA	.0258	.0258	.0258	.0258	.0258	.0258	.0258	.0258
USF	.0275	.0275	.0275	.0275	.0275	.0275	.0275	.0275
	.0136	.0136	.0136	.0136	.0136	.0136	.0136	.0136
Societal Benefits Charge	.0628	.0628	.0628	.0628	.0628	.0628	.0628	.0628
	.0489	.0489	.0489	.0489	.0489	.0489	.0489	.0489
Delivery Charge	.2995	.2680	.3089	.2774	.3318	.3004	.3412	.3097
	.2856	.2541	.2950	.2635	.3179	.2865	.3273	.2958

**With Alternate Fuel**

**7/97**

**7/97>**

Transport Rate (Base)	.0506	.0599
N.J. Clean Energy	.0095	.0095
RA	.0258	.0258
USF	.0275 .0136	.0275 .0136
Societal Benefits Charge	.0628 .0489	.0628 .0489
Delivery Charge	.1134 .0995	.1227 .1088

**Interruptible Sales**

**HLF**

**LLF**

1st 3000      >3000      1st 3000      >3000

Transport Rate (Base)	.1944	.1629	.2267	.1953
N.J. Clean Energy	.0095	.0095	.0095	.0095
RA	.0258	.0258	.0258	.0258
USF	.0275 .0136	.0275 .0136	.0275 .0136	.0275 .0136
Societal Benefits Charge	.0628 .0489	.0628 .0489	.0628 .0489	.0628 .0489
Delivery Charge	.2572 .2433	.2257 .2118	.2895 .2756	.2581 .2442

**Date of Issue:** June 30, 2006 October 5, 2004  
**Issued by:** Mark R. Sperduto Kevin A. Moss, Senior Vice President  
2004 Wall, NJ 07719

**Effective for service rendered on  
and after October 1, 2006 5,**

**NEW JERSEY NATURAL GAS COMPANY**

**BPU No. 7 - Gas**

**Fourth Third Revised Sheet No. 212**  
**Superseding Third Second Sheet No. 212**

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF INTERRUPTIBLE RATE COMPONENTS**

These rates are on a per-therm basis.

The dates listed at the top of the transportation columns represent the initial date of service under a transportation service classification.

**Date of Issue:** June 30, 2006 October 5, 2004  
**Issued by:** Mark R. Sperduto Kevin A. Moss, Senior Vice President  
2004 Wall, NJ 07719

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**and after October 1, 2006 5,**

**NEW JERSEY NATURAL GAS COMPANY**

**BPU No. 7 - Gas**

*Eighth Seventh Revised Sheet No. 213  
Superseding Seventh Sixth Sheet No. 213*

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF RESIDENTIAL DISTRIBUTED GENERATION SERVICE RATE COMPONENTS**

		<u>Nov-Apr</u>	<u>May-Oct</u>	<u>Reference</u>
	Base Rate	<u>0.1903</u>	<u>0.1338</u>	
Transport Rate	a	0.1903	0.1338	
Balancing Charge	b	0.0127	0.0127	Rider A
N.J. Clean Energy		0.0095	0.0095	Rider E
RA		0.0258	0.0258	Rider C
CEP		0.0000	0.0000	Rider G
USF		<u>0.0275</u>	<u>0.0275</u>	Rider H
		<u>0.0136</u>	<u>0.0136</u>	
Societal Benefits Charge	c	<u>0.0628</u>	<u>0.0628</u>	
		<u>0.0489</u>	<u>0.0489</u>	
Delivery Charge	a+b+c	<u>0.2658</u>	<u>0.2093</u>	
		<u>0.2519</u>	<u>0.1954</u>	
Periodic BGSS		1.2597	1.2597	Rider A
Less: Balancing Charge		<u>0.0127</u>	<u>0.0127</u>	
Basic Gas Supply Charge ("BGS")		<u>1.2470</u>	<u>1.2470</u>	

These rates are on a per-therm basis.

BGS rate which reflects minor reclassifications is presented on customer bills.

**Date of Issue:** ~~June 30, 2006~~ **December 15, 2005**  
**Issued by:** **Mark R. Sperduto, Vice President**  
~~December 15, 2005~~  
**Wall, NJ 07719**

**Effective for service rendered on  
and after October 1, 2006**



**NEW JERSEY NATURAL GAS COMPANY**

**BPU No. 7 - Gas**

**Fourth ~~Third~~ Revised Sheet No. 214  
Superseding Third ~~Second~~ Sheet No. 214**

**RIDER "A"**

**BASIC GAS SUPPLY SERVICE - BGSS (Continued)**

**SUMMARY OF COMMERCIAL DISTRIBUTED GENERATION SERVICE RATE COMPONENTS**

		<u>November-April</u>	<u>May-October</u>	<u>Reference</u>
	Base Rate	<u>0.0820</u>	<u>0.0496</u>	
Transport Rate	a	<u>0.0820</u>	<u>0.0496</u>	
Balancing Charge	b	<u>0.0127</u>	<u>0.0127</u>	
	N.J. Clean Energy	<u>0.0095</u>	<u>0.0095</u>	Rider E
	RA	<u>0.0258</u>	<u>0.0258</u>	Rider C
	CEP	<u>0.0000</u>	<u>0.0000</u>	Rider G
	USF	<u>0.0275</u>	<u>0.0275</u>	Rider H
		<u>0.0136</u>	<u>0.0136</u>	
Societal Benefits Charge	c	<u>0.0628</u>	<u>0.0628</u>	
		<u>0.0489</u>	<u>0.0489</u>	
Delivery Charge	a+b+c	<u>0.1575</u>	<u>0.1251</u>	
		<u>0.1436</u>	<u>0.1112</u>	

These rates are on a per-therm basis.

**Date of Issue:** *June 30, 2006 ~~October 5, 2004~~*  
**Issued by:** *Mark R. Sperduto ~~Kevin A. Moss~~, Senior Vice President*  
*2004 Wall, NJ 07719*

**Effective for service rendered on  
and after October 1, 2006 5,**

**Filed pursuant to Order of the Board of Public Utilities entered in  
Docket No. EX00020091 GR03060425**

RIDER "H"UNIVERSAL SERVICE FUND – USFAVAILABILITY

Applicable to the following service classifications:

Rate Schedule

Residential Service  
 Residential Air Conditioning  
 Residential Transportation  
 General Service - High Load Factor  
 General Service - Low Load Factor  
 General Service Demand  
 Cooling, Air Conditioning and Pool Heating  
 Natural Gas Vehicle  
 Economic Development  
 Interruptible Sales Service  
 Interruptible Cogeneration  
 Firm Transportation Service  
 Interruptible Transportation Service  
 Firm Cogeneration

Rate Schedule

RS  
 RAC  
 RT  
 GS-HLF  
 GS-LLF  
 GSD  
 CAC  
 NGV  
 ED  
 IS  
 IC  
 FT, CTB, SCR  
 IT  
 FC

The Universal Service Fund ("USF") is a fund established by the New Jersey Board Public Utilities ("NJBP") to provide affordable access for electric and natural gas service to all residential customers in the State. The Electric Discount and Energy Competition Act mandated the establishment of the USF in New Jersey.

Revenues collected through this rider are used to fund the State's percentage of income payment plan ("PIPP") for qualified low-income customers and the Lifeline Credit program, a special program for qualified low-income elderly and disable citizens. Both programs are administered by the New Jersey State Department of Health and Senior Services. The USF program Year is intended to run from *October* July 1<sup>st</sup> to *September* June 30<sup>th</sup> of each year.

*Date of Issue:* ~~June 30, 2006~~ *July 30, 2003*  
*Issued by:* ~~Mark R. Sperduto~~ *Kevin A. Moss, Senior Vice President*  
*August 1, 2003*  
 Wall, NJ 07719

*Effective for service rendered on*  
*and after October 1, 2006*

RIDER "H"UNIVERSAL SERVICE FUND – USFDETERMINATION OF THE USF

On an annual basis, the NJBPU shall consider the following: estimated USF benefits for upcoming USF program Year; estimated administrative expenses; the projected current year under/over recovery position, and annual forecasted volumes in order to establish a USF rate for the upcoming USF program year. This state wide rate shall be adjusted for all applicable taxes and assessments and shall be provided to all utilities to be included in their annual SBC filings for notice and public hearing purposes.

As an SBC component, the Company can accrue carrying costs during periods of underrecovery at the prevailing SBC interest rate.

The USF shall be collected on a per therm basis and shall remain in effect until changed by order of the NJBPU:

\$0.0046 ~~\$0.0043~~ per therm – Lifeline

\$0.0229 ~~\$0.0093~~ per therm – PIPP

\$0.0275 ~~\$0.0136~~ USF billing Factor

In accordance with P.L. 1997, c. 162, the charges applicable under this Rider include provision for the New Jersey Sales and Use Tax ("SUT"), and when billed to customer exempt from this tax, as set forth in Rider "B", shall be reduced by the amount of such tax included therein.

Date of Issue: June 30, 2006 ~~23, 2004~~

Issued by: Mark R. Sperduto ~~Kevin A. Moss, Senior Vice President~~  
1, 2004

Wall, NJ 07719

Effective for service rendered on  
and after October 1, 2006 July

**EXHIBIT C**

**PROPOSED PUBLIC NOTICE**

**NEW JERSEY NATURAL GAS COMPANY**  
**NOTICE OF PUBLIC HEARING**

**TO OUR CUSTOMERS:**

**PLEASE TAKE NOTICE** that, pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq., the Universal Service Fund (USF) program was established by the New Jersey Board of Public Utilities (Board), to provide funds to assist qualifying low-income individuals in paying their energy bills. Pursuant to Orders of the Board dated April 30, 2003 and July 16, 2003, the State's electric and gas public utilities' Societal Benefits Charge includes recovery of funding for the USF program through uniform statewide rates.

New Jersey Natural Gas Company (NJNG or the Company) made a filing with the Board on June 30, 2006, requesting to implement an increase related to the statewide USF program charge, as described below, to be effective on October 1, 2006. The current after-tax USF program charge for natural gas customers is \$0.0136 per therm. The proposed after-tax USF program charge will increase to \$0.0275 to recover approximately \$130 million for the statewide natural gas USF and Lifeline programs. The above request will not result in any profit to the Company. The revenues received under the proposed USF charge are designed to permit the Company to recover only its costs for the USF and Lifeline program through this charge. Actual program costs will be reconciled with the revenues received through the USF program charge in the next annual filing scheduled to be made no later than July 1, 2007.

If approved by the Board, the impact of the proposed changes in the USF Charge on typical natural gas bills is illustrated below:

**Residential Sales**

Therm Level	Rates		Increase	
	Bill as of June 30, 2006	Proposed Bill as of October 1, 2006	Amount	Percent
25	\$46.48	\$46.83	\$0.35	0.75%
100	\$166.29	\$167.68	\$1.39	0.84%
200	\$326.04	\$328.82	\$2.78	0.85%

**General Service-High Load Factor**

Therm Level	Rates		Increase	
	Bill as of June 30, 2006	Proposed Bill as of October 1, 2006	Amount	Percent
500	\$798.11	\$805.06	\$6.95	0.87%
1000	\$1,581.26	\$1,595.16	\$13.90	0.88%
5000	\$7,783.26	\$7,852.76	\$69.50	0.89%

**General Service-Low Load Factor**

Therm Level	Rates		Increase	
	Bill as of June 30, 2006	Proposed Bill as of October 1, 2006	Amount	Percent
500	\$814.26	\$821.21	\$6.95	0.85%
1000	\$1,613.56	\$1,627.46	\$13.90	0.86%
5000	\$7,944.96	\$8,014.46	\$69.50	0.87%

Actual results regarding USF expenditures and recoveries could be significantly affected by program changes, participation rates, and/or jurisdictional throughput. In light of that, the Company, as well as the State's other gas public utilities, has requested authority to increase the above-referenced natural gas USF program charge upon 10 days prior written notice to the Board and the Division of the Ratepayer Advocate. Any such increases would be reconciled in the Company's next scheduled annual USF filing to be made no later than July 1, 2007. Notice is hereby provided that for every \$5 million over the above-referenced estimated \$109 million in estimated 2006-07 program year costs, the Company's bills to residential gas customer using 100 therms would be increased by approximately 0.07% or \$0.11 above that shown above.

Any final rate adjustments with resulting changes in bill impacts found by the Board to be just and reasonable as the result of this filing may be modified and/or allocated by the Board in accordance with the provisions of N.J.S.A. 48:3-4 and for other good and legally sufficient reasons. Therefore, the above-described charges may increase or decrease based upon the Board's decision.

Copies of the Company's June 30, 2006 filing are available for inspection at the Company's Customer Service Centers or at the Board of Public Utilities, Two Gateway Center, Newark, New Jersey 07102.

The following date, time and location for a public hearing has been scheduled on the above filing so that members of the public may present their views:

2006 at 7:00 P.M.  
Freehold Township Municipal Building  
Room 114  
Schanck Road  
Freehold, New Jersey

The public is invited to attend and interested persons will be permitted to testify and/or make a statement of their views on the proposed increases. **In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, 48 hours prior to this hearing.** Regardless of whether they attend the hearing, members of the public may submit written comments concerning the petition to the BPU by addressing them to: Kristi Izzo, Secretary, New Jersey Board of Public Utilities, Two Gateway Center, Newark, New Jersey 07102.

**New Jersey Natural Gas Company**  
Tracey Thayer, Esq.

**Service List**  
In the Matter of the Establishment of a Universal Service Fund  
Pursuant to Section 12 of the Electric Discount and Energy Competition Act of 1999  
Docket No. EX00020091

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